



1300 Pennsylvania Avenue NW, Suite 190-322, Washington, DC 20004

November 20, 2013

Ex Parte

Thomas E. Wheeler, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Technology Transitions Policy Task Force, GN Docket No. 13-5

Dear Chairman Wheeler:

The Voice Communication Exchange Committee (VCXC) believes the November 19, 2013 blog post "IP Transition: Starting Now" properly recognizes the IP transition as a challenge of **collective** rather than **coercive** action.

There exists unnecessary controversy and uncertainty around the extent of FCC authority to coerce industry action toward VoIP interconnection and other imperatives related to the IP transition.

Operators do not need to be coerced into increasing the value of networks.

The findings since the founding of VCXC to speed the IP transition and adoption of HD voice point to a challenge of collective action and not authority. There exist no need to force *The Telecommunications Act of 1934* as amended in 1996 to fit all-IP networks. The track record of the last 20 years provides abundant evidence of a new dynamic shaping the communication landscape.

There exist no opposition to the IP transition. The benefits of the IP transition nonetheless await industry wide adoption of advance IP services like HD voice. No network operator is large enough to keep more than 10% of customer traffic on-net. Almost all calls traverse two or more networks, so the unilateral action of a single operator adds almost no value.

The means of interconnecting networks defines both the nature of the end user experience and, by extension, the value networks. Consider the example of mobile networks moving from 2G to 2.5G to 3G to 4G through collective action without coercion. There exists a direct relationship between expanding network functionality and value.

A wide range of assertions regarding the extent and use of FCC authority runs through the 400 comments to the Technology Transitions Policy Task Force Public Notice from May 2013. These add to several thousand comments since work on the National Broadband Plan kicked-off the IP transition topic with a Public Notice and the first comments in December 2009.

The question of FCC authority made it to the oral argument phase in the appeals of the USF/ICC Transformation Order yesterday in Denver. The DC Circuit Court of Appeals opinion in Verizon v. FCC seems likely to arrive any day.

The results of litigation promise more controversy and more uncertainty, not less.

The FCC's non-regulatory and deregulatory initiatives, starting with former Chairman Reed Hundt, win the public a portfolio of communication options that begin to fulfill the vision of the telecom techno-utopia futurist George Gilder imagined in 1993. Non-regulated Title I information services already represent the dominant means of communication. The unregulated telecom expanded connectivity 1000 fold from a baseline of 9.6Kbs dial-up modems in 1993 to 10Mbps always on broadband today.

VCXC convened the New Telecom Summit (<http://newtelecom.com>) in New York City on December 3, 2013 to celebrate the accomplishments of the last 20 years of de-regulation and non-regulation.

The new urgency of continuous improvement in telecom arises from the same causes driving the larger information technology sector. The steady and inexorable decline in the cost of processing capacity attributed to Moore's Law. The decoupling of service and connectivity in IP networks destroys the gatekeeper business models and zero sum competition analysis of the 20th century telephone network.

The present scarcities of end user time and attention make customer acquisition the dominant mode of competition in both communication and information technology.

The communicating public remains entirely unaware of the extent communication services are regulated versus unregulated. The adoption of the latter over the former represents the driving force for IP transition, but it remains easy to generate public outrage by framing network operators as villains.

The need for new laws and coercive authority awaits evidence intrinsic industry forces injure the public interest. Twenty years of public interest benefits and the on-going promise of non-regulated all-IP networks makes the question of FCC authority moot. Recognizing the challenge of the IP transition as one of collective action trades controversy for progress.

Sincerely Yours,

Daniel Berninger
Founder, Voice Communication Exchange Committee

cc:
Commissioner Mignon Clyburn
Commissioner Jessica Rosenworcel
Commissioner Ajit Pai
Commissioner Michael O'Rielly